

## **Certificate of Partial Exemption for Machinery, Equipment, or Repair and Replacement Parts**

**General Purpose:** This certificate is to be used by the purchaser of machinery, equipment, or repair and replacement parts for such machinery and equipment to establish that items purchased are to be used primarily in the manufacturing, processing or fabricating of tangible personal property.

This certificate is used by a purchaser to claim a partial exemption from sales and use taxes on purchases of qualifying machinery, equipment, or repair or replacement parts. For purchases occurring on and after July 1, 1996, the exemption excludes 50 percent of the gross receipts or sales price of the qualifying machinery, equipment or parts from tax. Whether or not the machinery or equipment will be used in Connecticut, charges for such property, when used as indicated above, are entitled to the exemption.

### **Description of the Use of Item(s) Being Purchased:**

To qualify for the partial exemption from sales and use taxes, the machinery or equipment must be used primarily:

- For research and development with respect to or in the furtherance of the manufacturing, processing or fabricating of tangible personal property;
- For measuring or testing with respect to or in the furtherance of the manufacturing, processing or fabricating of tangible personal property;
- At any stage of the manufacturing, processing or fabricating process from the time raw materials are received to the time the product is ready for delivery or storage;
- To maintain or repair any machinery or equipment described above; or
- For metal finishing.

If the machinery, equipment, or repair and replacement parts are not used in this manner, a purchaser who has claimed a partial exemption owes use tax. The use tax due is the difference between the amount of tax paid under a partial exemption and the amount of tax due if no such exemption were claimed.

**Statutory Authority:** Conn. Gen. Stat. §12-412i

**Instructions for the Purchaser:** This certificate must be signed by an owner or officer of a business purchasing the machinery, equipment or repair or replacement parts for use in the manufacturing, processing or fabricating of tangible personal property to advise the seller of machinery or equipment that the purchase is entitled to partial exemption. The certificate may be issued only for machinery

and equipment used primarily in the process of manufacturing, processing or fabricating, as defined in Conn. Gen. Stat. §12-412i. Keep a copy of this certificate and records that substantiate the information entered on it for at least six years from the date the certificate is issued. If no Connecticut tax registration number has been assigned to the purchaser, enter the tax registration number assigned by another state and identify the state.

**Instructions for the Seller:** Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving that the gross receipts from the sale of the item(s) described on this certificate are eligible for a partial exemption from sales and use taxes. This certificate is valid only if taken in good faith from a person who is purchasing the machinery, equipment or repair or replacement parts for use in manufacturing, fabricating or processing. The good faith of the seller will be questioned if such seller has knowledge of facts that give rise to a reasonable inference that the purchaser is not engaged in manufacturing, processing or fabricating or that the machinery or equipment will not be used primarily in the process of manufacturing, processing or fabricating tangible personal property.

Keep a copy of this certificate and bills or invoices to the purchaser for at least six years from the date that the items were purchased. The bills, invoices or records covering all purchases made under this certificate must be appropriately marked to indicate that a purchase of machinery or equipment entitled to a partial exemption has occurred. The words "Exempt under Conn. Gen. Stat. §12-412i: Machinery and Equipment" will satisfy this requirement.

The certificate may be used for individual purchases, in which case the box marked "Certificate for One Purchase Only" must be checked. The certificate may also be used for a continuing line of purchases, in which case the box marked "Blanket Certificate" must be checked. A blanket certificate remains in effect for a three-year period, unless the purchaser revokes it in writing before the period expires.

**NOTE:** If machinery, repair or replacement parts are exempt under Conn. Gen. Stat. §12-412(34), they do not fall within the scope of Conn. Gen. Stat. §12-412i. Use **CERT-101, Machinery, Component Parts and Repair and Replacement Parts of Machinery Used Directly in a Manufacturing Process**, to make exempt purchases of machinery under Conn. Gen. Stat. §12-412(34).

**For Further Information:** Call Taxpayer Services at 1-800-382-9463 (in-state) or 860-297-5962 (anywhere). Telecommunications Device for the Deaf (TDD/TT) Users Only Call 860-297-4911.

*Continued on Reverse*

Name of Purchaser	Address	Connecticut Tax Registration # <i>(If None, explain below)</i>	Federal Employer ID #
Name of Seller	Address	Connecticut Tax Registration # <i>(If None, explain below)</i>	Federal Employer ID #

Check One

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Blanket Certificate

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Certificate For One Purchase Only

Description Of Machinery, Equipment, Replacement Parts Or Repair Parts

### Declaration by Purchaser

The items described above are machinery, equipment, or repair or replacement parts to be used primarily in the process of manufacturing, processing or fabricating, as defined in Conn. Gen. Stat. §12-412i.

According to Conn. Gen. Stat. §12-412i, the purchase of these items is subject to a partial exemption from sales and use taxes.

I declare under the penalty of false statement that I have examined the information in this certificate and to the best of my knowledge and belief it is true, complete and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars.)

\_\_\_\_\_  
Name of purchasing company

By: \_\_\_\_\_  
Authorized signature of owner or officer                      Title                      Date